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EXTRACT FROM A DESPATCH

FROM

THE GOVERNMENT OF INDIA TO THE SECRETARY OF
STATE FOR INDIA IN COUNCIL.

DATED SEPTEMBER 21, 1899,

RELATING TO

BRITISH POLICY IN PERSIA,

WHICH WAS REFERRED TO IN THE DEBATE ON THE
ANGLO-RUSSIAN CONVENTION, WHICH TOOK PLACE IN THE HOUSE OF
LORDS ON FEBRUARY 6 AND 10, 1908.

India, Persia.

*Presented to both Houses of Parliament by Command of His Majesty.
February 1908.*

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Extract from a Despatch from the Government of India, to the Secretary of State for India in Council, dated September 21, 1899, relating to British Policy in Persia, which was referred to in the Debate on the Anglo-Russian Convention, which took place in the House of Lords on February 6 and 10, 1908.

Government of India to Lord G. Hamilton.

(Extract.)

Simla, September 21, 1899.

WE desire to address your Lordship and, through your Lordship, Her Majesty's Government, on the subject of the relations of Great Britain with Persia. We might find an adequate reason for so doing in the fact that your Lordship has directly invited an expression of the views of the Government of India upon the question of the maintenance of our influence in Persia; and, while calling our attention to the desirability of improving the Political and Consular Service in that country, has at the same time stated your desire to be made acquainted with our opinions upon the remaining questions under discussion. But, in any case we should have felt it our duty at an early date to address your Lordship on the subject. Although the relations of Great Britain with Persia have for a period of exactly a century occupied a large, and perhaps at times a disproportionate, space upon the field of international diplomacy; although during that time Great Britain has twice broken off diplomatic relations and has once been at war with Persia in vindication of British interests in or upon the borders of that country; and although large sums of money have been throughout the present century and are still annually expended in the maintenance of those interests, both by Her Majesty's Government and by the Government of India, we have not been able to discover in our records any clear definition of the principles upon which our policy towards the Persian kingdom is based, of the objects which it should keep in view, or of the scope and limits of the respective shares of responsibility, political and financial, which should be assumed by the two partners, viz., Her Majesty's Government and the Government of India, who are jointly concerned in the defence of Anglo-Indian interests in the dominions of the Shah.

We desire, therefore, not merely to examine, in response to your Lordship's invitation, the particular steps that may require to be taken for the maintenance or extension of British interests in Persia at the present juncture, but to survey a wider field, and, while there is yet time, to discuss how those interests should be definitely safeguarded in the future that seems to be imminent, and what part in the outlay or in the measures that may be necessitated for that end, should be assumed respectively by Her Majesty's Government and by the Government of India.

It may not be inappropriate to state, in the first place, what we conceive British, i.e., Anglo-Indian, interests in Persia to be. They are commercial, political, strategical, and telegraphic. The total annual value of British trade with Persia has been estimated (and, from the calculations that we have made, we believe the estimate to be below the mark) as approximately 3,500,000*l.*; and while a great deal of this trade, particularly in the south and east, is with British India, yet the northern and western avenues of entry are devoted in the main to commercial connections with the British Isles. The total volume of Anglo-Persian trade continues, in spite of the difficulties encountered and the increasing insecurity in Persia, to rise and, under a more efficient and less venal régime, would probably attain to much larger dimensions. Similarly, although the experience of the past decade has not been

encouraging to British mercantile investment in Persia, as the experience of the Tobacco Régie, the Persian Mining Rights Company, and other ventures has shown, there is nevertheless a good deal of British capital sunk in various industrial undertakings in different parts of the country.

The political interests of Great Britain in Persia, although they date originally from a period before India had become a British interest at all, were, in their revival a century ago, in the main Indian in inception, and are still largely Indian in character. It would be unfair, however, at the present day to attribute to them an exclusively Indian complexion. Ever since the first visit of the late Shah to Europe, Persia has been drawn increasingly into the vortex of European politics. Neither France, Germany, Austria, Italy, Holland, nor Belgium own possessions contiguous to the Persian dominions. Their commercial stake in the country is relatively small. Notwithstanding, they find it to their interest to maintain, what are in some cases costly and extensive diplomatic establishments at Tehran, and they occupy a minor, but nevertheless a definite, position upon the local diplomatic stage. It is to be surmized, therefore, that, even had British India not existed, or had it passed into other hands, the British Government would nevertheless before now have been compelled to take an active political interest in Persian fortunes. Persia is, in fact, one of those countries which, whether or not they had fallen into the orbit of Western Powers, more vigorous than themselves, must inevitably have attracted the attention of Europe, partly from their increasing infirmity, but still more from the opportunities suggested by their latent, though neglected, sources of strength. The twofold British interest and responsibility here indicated have indeed been recognized by the system, now of long standing, under which the charges of the diplomatic establishment maintained by Her Majesty's Government at Tehran are shared between the Imperial and the Indian Exchequers. That such a division of common interest has become necessary, that the politics of Tehran, which with one eye turned towards India looks with the other towards St. Petersburg and Constantinople, are but one aspect of the eternal Eastern question, and that the control of British diplomacy at Tehran must therefore be vested in the hands of Her Majesty's Secretary of State for Foreign Affairs, are propositions which forty years ago were hotly contested by certain schools of thought, but that will not any longer be a matter of dispute. They serve to illustrate the Imperial, as distinct from the purely Indian, character of Anglo-Persian relations.

The strategical interests of Great Britain in Persia arise from conditions with which India is most intimately concerned. Long before the boundaries of British India had been extended to their present limits, or before Russia had become a great Central Asian Power, approaching or impinging at many points upon the Indian frontiers, the fortunes of Persia, though not at that time a coterminous country, had become a matter of vital concern to the British dominion in India. In the early years of the present century, when the ambitions of France were the main source of apprehension, it was through Persia that a blow at British supremacy was expected to be struck, and that an invasion of India was planned. The same idea has reappeared at intervals since. Now that the boundaries of Afghanistan, which have been demarcated and guaranteed by Great Britain, march for many hundreds of miles with those of Persia; that Persian territory is also coterminous for hundreds of miles with Baluchistan, a State under a British Protectorate, and in large measure actually administered by the officers of the Government of India; and that the sea which washes the southern coasts of Persia is one in which, both from its proximity to the Indian Ocean and as a result of the exertions of the past century, Indian interests and influence have become supreme—it is clear that Persia has assumed a strategical importance, in relation to British India, which might not be serious, were the resources or the designs of that country itself alone to be considered; but which is indisputably great, when it is remembered that closely pressing upon Persia and upon Afghanistan is the ever-growing momentum of a Power whose interests in Asia are not always in accord with our own, and that the Persian Gulf is beginning to attract the interest of other and sometimes rival nations. These conditions, however, while they indicate the supreme concern which those who are responsible for the government of India cannot fail to feel in the fortunes of Persia, are nevertheless sufficiently obvious in their general application to render it unnecessary for us to point out their far more than local range, or to argue that they affect not merely the destinies of British dominion in India, but those of the British Empire. It is from this point of view that we hold strongly the opinion that Persia in its strategical, no less than in its political, aspect is not only an Indian, but is also an Imperial, concern, and that we

feel no hesitation in appealing to Her Majesty's Government for a frank and generous recognition of this common responsibility.

The telegraphic interests of Great Britain in Persia may be said to be evenly divided between the mother-country and India. For whilst on the one hand the wires that have been constructed between the north-west frontier and Tehran, and which provide the earlier link in the Persian section of the main overland connection with the east, are in the hands of a Company whose domicile is in London, from Tehran onwards to the Gulf, the undertaking is conducted by an establishment that is recruited and paid for by the Government of India, while its head-quarters are in the India Office in London. This twofold system exists in order to maintain a connection which may be said to be equally British and Indian, since it is equally indispensable to the interests of both countries; but which also has an ulterior and wider scope, inasmuch as the Trans-Persian wires, and the submarine cables by which they are supplemented in the Persian Gulf, are largely utilized for the conveyance of messages between Great Britain and places lying beyond India, notably the Australasian Colonies. From a calculation based upon the aggregate results of the past five years, we have ascertained that no less than 30 per cent. of the total traffic is of this description. Nevertheless the cost, in so far as it is borne by either Government, devolves exclusively upon the Indian, and not upon the Home Exchequer.

Such are the main interests of Great Britain in Persia. It will be observed that the shares that may be claimed by the mother-country and by India in the sum total of those interests have in the passage of time become so interwoven and fused as to render the task of separating or distinguishing them neither easy nor profitable. It may not be difficult to distinguish between sources of expenditure which should more properly fall to the charge of the one or the other partner. But we maintain that enough has been said to prove that on the broad field of international policy Persia is not exclusively an Indian interest, but is emphatically an Imperial interest of Great Britain; and that the latter should be prepared to exert her full strength for the defence of that interest, should it be jeopardized or impugned.

In discussing the manner in which it is desirable that these principles, if accepted, should be carried into action, we are anxious at the outset to make our position, in one respect, perfectly clear. We have no desire to make an addition to the political or territorial responsibilities of India, for which we have not, under existing conditions, the means either in money or in men. We are not about to propose that there should be established any Protectorate, open or covert, over any part of the Shah's dominions, that might compel us in the future to hold the country so protected by force of arms. For the present our ambitions are exclusively limited to making secure the interest which we have already built up, and still more to preventing it from being undermined or taken from us by others, with the result not only of a considerable accretion of strength to them, but of positive detriment to ourselves. We have, in fine, no desire to disturb the political *status quo* in Persia so long as it can be maintained. We prefer, indeed, to invest it with such renewed vitality as may be found possible. But we press for an early decision and for early action, since, unless we bestir ourselves, there is good reason for fearing that the already trembling balance may be disturbed by others to our disadvantage.

We now proceed to draw a picture of the present state of British interests in Persia, as they present themselves to our eyes, and to examine the dangers by which they appear to be threatened.

The political destinies of a country and a Government, such as those of Persia, are likely to be determined in the main by her geographical position in relation to her neighbours, the principal of whom are Russia and Great Britain. There is a curious correspondence, but there are also notable differences between the positions of these two Powers *vis-à-vis* with Persia. The entire northern frontier of Persia is now contiguous with Russian territory, with the exception of that portion which borders upon the Caspian Sea—a distinction, but not a difference, inasmuch as that sea has to all intents and purposes been converted into a Russian lake. Russian territory also overlaps the north-east corner of the Persian dominions. Great Britain enjoys a somewhat similar preponderance of influence on the south, by virtue of her hitherto unchallenged supremacy, both naval and commercial, in the Persian Gulf; while, owing to recent developments on the side of Baluchistan, her land territories also touch those of Persia upon the south-east. But there are these broad differences between the two positions: firstly, that whereas the Russian territories that are limitrophe with Persia on the north are continuous either with those of European

or with those of Asiatic Russia, the immense resources of both of which dominions can be brought by a skilfully designed system of railways, and deposited with little trouble and with no delay, upon the Persian frontier itself—the forces of Great Britain, if required for purposes either of menace or attack, would require to be conveyed by sea, and would be separated by a great distance from their base; the land connection on the Perso-Baluch side being as yet too precarious and remote to admit of its being taken into serious consideration in the present context; secondly, that whereas the Russian land approaches upon the north are in her own exclusive possession, the maritime access of Great Britain on the south is equally open to any other Power possessing a naval marine. Hence the marked and inevitable distinction between the power of persuasion or menace possessed by Russia in the north, as compared with that at the disposal of Great Britain in the south, the advantage enjoyed by the former being enhanced by the fact that the Persian capital and Court are situated in the northern or Russian, and not in the southern or British zone of influence.

In these circumstances, it is not surprising to read of the increasing and indisputable supremacy which Russia has established in Northern Persia. While we think that no efforts should be spared to safeguard so much as is left to us of the trade that enters the country by the Trebizond-Tabreez route, of the trade of Tehran, and of that of North-East Persia (concerning which it may be noted that the imports into Meshed from British India, which in 1893–94 represented a value of 198,500*l.* and in 1894–95 of 312,000*l.*, have in 1897–98 sunk to 130,000*l.*), and while as long as the capital remains at Tehran, which is also the centre of important British interests in the shape of the telegraph administration and the Imperial Bank of Persia, it is essential that British influence there should be asserted on a scale as nearly as possible equivalent to that of Russia—we are yet of opinion that the advantages enjoyed by Russia in the field under discussion are so overwhelming as to render any attempt to dispute or to shake her position there fruitless; and that our own energies can with greater wisdom and with superior chances of success be directed towards the protection and consolidation of the British sphere of influence in the centre and south. It is to a more critical examination of this subject that we now turn.

Sir M. Durand has drawn a line across Persia from Khanikin on the Turkish frontier on the west, through Kermanshah, Hamadan, Ispahan, Yezd, and Kerman to Seistan, and the Afghan frontier on the east, as indicating approximately the existing line of partition between the British and Russian spheres of influence both political and commercial in Persia.

Following the same order from the west, we concur with what he has written about the importance of fostering the Bagdad trade route viâ Kermanshah to Tehran, British commerce by which approaches in value to 1,000,000*l.* per annum. This is a route of peculiar value both to British and to Indian trade, and one upon which we should on no account forfeit the supremacy. We have no hesitation in recommending the substitution of a British Vice-Consul at Kermanshah for the present Native Agent; although we think that the cost of the proposed appointment which lies outside of what may be called the more strictly Indian zone, and which will be subordinate to the Consulate-General at Tehran, should be borne by Imperial and not by Indian revenues.

Whatever be the prospects of opening up, either by road or by railway (and concerning the latter we are sceptical), the country that lies northward of the Karun River, and that is inhabited by the Lurs and other nomal tribes, it is certain that British influence has obtained a material foothold in that corner of the Shah's dominions, through which the Karun flows in its middle and lower course, and where the road now being constructed through the Bakhtiari country, by contract between the Bakhtiari Chiefs and Messrs. Lynch, should open an alternative and almost exclusively British door of commercial access to Ispahan.

Continuing in an easterly direction, we have noticed from the recent Consular Report of Mr. J. R. Preece, Her Majesty's Consul at Ispahan, that "British trade in Ispahan has shown during the last two years, if not an absolute decrease, at all events, no expansion whatever," while great strides have been made in Russian importations, notably of glassware and hardware. We agree that the British Consul should be raised, in respect of title and pay, to the same level as the recently arrived Russian representative, although, as this is a matter which mainly concerns the English Foreign Office, we are not clear that we are called upon to advise upon the subject. We cannot, however, too strongly emphasize our opinion that in any partition either of commercial or political spheres of influence in Persia, Ispahan, the old (and, if Persia should ultimately break up, possibly a future) capital, the seat of the Sefavi

dynasty, the principal market of Central Persia, and (far more than Tehran) the focus of Persian nationality, must, on every ground, be included in the zone in which British interests are supreme.

We also think that British interests are most inadequately represented at Shiraz by the present Native Agent, who is a nonentity, without influence or power; and that the experiment of bringing the Resident of the Persian Gulf, who is also Consul-General for Fars, to reside during the summer at the capital of the province, which is within his official area of jurisdiction, should be given a further trial. Colonel Wilson in 1895, and Colonel Meade in 1898, spent the summer months at Shiraz, but were compelled to hire house accommodation at their own expense. If these visits are made recurrent, we are inclined to think that, as no suitable house appears to be open either to purchase or to rent, a site should be purchased and a house erected thereon. To this suggestion also we will revert. Shiraz is a place of considerable importance; and were it not for the great influence that has for long been exercised there by the officials of the Indo-European Telegraph Department, British interests must have suffered from the neglect to which they have hitherto been exposed.

The districts lying to the east of Ispahan and Shiraz contain the important cities and trade centres of Yezd and Kerman, connected by one of the principal postal and caravan tracks of Persia. Both of these towns and districts lie south of the natural line of division between Northern and Southern Persia; and in both British commercial and political influence has, in recent years, been actively vindicated. In September 1893 Mr. Fergusson, the Manager of the local branch of the Imperial Bank, was appointed unpaid Vice-Consul at Yezd. It is now suggested that a Vice-Consul, if appointed to Bunder Abbas, might pass his summer at Yezd, where it is no doubt intrinsically desirable that British commercial interests should be represented by some one not engaged in business or trade. We will for the moment reserve our comments upon this suggestion. At Kerman, which is the capital of an important province, and the seat of a Governor-General, the appointment of a British Consul, which was first sanctioned under exceptional circumstances in the case of Captain Sykes in 1894, has at frequent intervals since, the latest being our despatch of the 10th August, 1898, been the subject of discussion between Her Majesty's Government and the Government of India. The present position is this, that for five years the Government of India have expressed their willingness to contribute one-half of the cost of the Kerman Consulate up to a limit of 6,000 rupees per annum. The views of the Foreign Office upon this proposal, which was communicated to it by your Lordship on the 21st September, 1898, have not yet been received by us. It is now proposed that this Consulate should be made permanent, and that possibly a Native Agent under its orders should be sent to Bampur. Before discussing these proposals, we think it advisable to analyze the larger issues raised by the questions of Seistan and the Persian Gulf.

Concerning Seistan, its importance and the present position there, the facts are, we think, sufficient to show that Seistan is, by reason of its geographical position in relation both to North Khorassan, to Western Afghanistan, to British Baluchistan, and to the Persian Gulf, a position of no small strategical importance. Seistan is the present meeting-point of the advanced pioneers of British and Russian influence. Perhaps on the whole, owing to recent activity on our part, the British position and chances are the more hopeful. It is essential in the future that Seistan should be retained in the British zone. It is fortunately not too late to secure that consummation. The steps which should be taken with that object will be examined when we formulate our final recommendations at the close of this despatch.

South of Seistan lies the still imperfectly known district of Persian Baluchistan. Every year this province is being brought into closer contact with British associations, partly from the visits of British officials, partly from the wide-spreading influence exercised by the Nushki-Seistan trade route, still more from the close connections, political and racial, prevailing between the inhabitants of the two sides of the Perso-Baluch border—a condition of affairs which is likely to be confirmed by the inevitable increase of British influence in the dominions of the Khan of Kalat.

Our inspection of the various sub-areas composing what we have described as the British sphere has now brought us to the Persian Gulf—a subject upon which it is necessary that we should address your Lordship.

The *de jure* position in the Persian Gulf is that of a sea open to the flag of all nations, the northern shores and territorial waters of which are included in the dominions of Persia, while its western and southern coasts are partially owned and partially claimed by Turkey, or are in the occupation of Arab tribes, who have

entered into Treaty relationships of varying character, constituting a sort of veiled Protectorate, with Great Britain. The islands in the Gulf are owned either by Persia or by Arab Chiefs (in the case of Bahrein under British protection); but upon one of the Persian Islands, viz., Kishm, Great Britain possesses a piece of land by virtue of an original grant from the Imam of Muscat, to whom the island once belonged. Outside the entrance to the Persian Gulf, but included in the same political system, are, on the northern shore of the Arabian Sea, the coasts of Persian Baluchistan, along which the overland wires of the Indo-European Telegraph Company run as far as Jask, where a reserve of territory exists under an Agreement concluded in 1887 between the British and Persian Governments, and where a detachment of Indian troops, who had previously been stationed there between the years 1879 and 1887, was replaced in January 1898 in consequence of the murder of a British telegraph official and the disturbed state of Persian Baluchistan. A larger detachment was at the same time dispatched to Charbar, near the eastern limits of the same province. On the southern and western coast is the still independent Kingdom or Sultanate of Oman (Muscat).

The *de facto* position upon the waters and on the shores of the Persian Gulf reflects a more positive British predominance than the preceding paragraph might indicate. In the early years of the present century the Slave Trade was rampant in the Gulf, and the vessels of the Indian Marine were engaged in a long and arduous struggle with the Arab pirates who infested its southern coasts. This conflict, which was conducted entirely by British agency and means, without any help from the Persian Government, resulted in the establishment of Treaty relations with the great majority of the Arab Chiefs, under which they bound themselves to observe perpetual peace, and to refer all disputes to the British Resident at Bushire. The *pax Britannica*, which has ever since, with rare exceptions, been maintained, is the issue of these arrangements, and is the exclusive work of this country. Of similar origin were the soundings of the channels and the surveys of the shores of the Persian Gulf, which the navigators of all nations owe to the labours of a long line of naval officers of the Indian service. Meanwhile, British trade has acquired almost a monopoly of the foreign commerce of the Gulf ports. Indian "bunias" from Shikarpur and other parts of Sind have settled in considerable numbers at Lingah, Bunder Abbas, Bushire, and Bahrein. They frequently farm the customs. The foreign imports and exports pass through their hands. These are for the most part conveyed to and from the Gulf in British ships, more than one Anglo-Indian Company (the "British India," the "Bombay and Persia," and the "Anglo-Arabian and Persian Gulf") having maintained for years a merchant-steamer service between Kurrachee and Bussorah, touching at the Gulf ports on the way, whilst the rival ventures that have occasionally been attempted by foreign nations have uniformly failed and have been withdrawn.

As the result of careful calculations of the trade Returns of the three years 1895-96-97, which are the latest at our disposal, we have ascertained that the total value of imports and exports in the Persian Gulf (including the Persian ports of Bunder Abbas, Lingah, Bushire, and Mohammerah, the Arab ports on the opposite coast, and Bahrein) in that triennial period amounted to 17,241,300*l.* (at the rate of 15 rupees = 1*l.*). Of this total, local trade accounted for 5,124,000*l.*, and external trade for 12,117,300*l.*; while of the latter total the trade with British possessions (including India) amounted to 9,709,500*l.*, or over 80 per cent. of the entire external trade. In the same three years, out of a total of 2,161 steamers which entered and cleared from the Gulf ports, 2,039 were British, and their tonnage represented 84 per cent. of the total tonnage. If the Returns of Persian ports alone be required, the figures are—total trade, 11,172,000*l.*, of which local trade = 2,169,400*l.* and external trade = 9,002,600*l.*, the British proportion of the latter being 7,194,200*l.*, or 83 per cent. To these totals in either case there should, in our opinion, certainly be added those of Bussorah, which amounted in the same triennial period to 2,157,300*l.* Unfortunately, the manner in which these have been prepared does not admit of our distinguishing the countries of origin or destination. The proportion, however, that should properly be assigned to Anglo-Indian commerce may be inferred from the British percentage of shipping that entered or cleared from that port in the three years referred to. It amounted to no less than 93 per cent. both of the number and tonnage of the steamers engaged.

During the last thirty years the maintenance of the submarine cables of the Indo-European Telegraph Company from Fao to Jask, and of the land lines from that place to Kurrachee, has also devolved upon the Indian Government, and has tended to increase an already preponderant influence over both the waters and the shores of this

sea. Latterly there has been a deliberate but necessary consolidation of our influence in certain quarters where trouble threatened or where rivalry was feared. Outside the entrance to the Persian Gulf, but included within the sphere of its political influence, the Arab State of Muscat has for years been predominantly controlled by British influence; its trade is similarly in Anglo-Indian hands; and its Ruler has not merely for years been subsidized by the Government of India, but in 1891 entered into an Agreement with us, under the orders of Her Majesty's Government, not to alienate any portion of his dominions to any other Power.

Such, briefly summarized, is the position that has been won by Great Britain, not without the expenditure of many millions of money and the sacrifice of many valuable lives, in the Persian Gulf. In its vindication we have more than once been called upon to enter into military occupation of ports or islands in the Gulf. The Island of Kharak was occupied by Indian forces from 1838 to 1842, and again in 1856-57. Bushire was held during the latter years, as also were Mohammerah and Ahwaz, upon the Karun. The occupation of these places was an illustration of the vigour with which, in past years, our ascendancy has been maintained. Their abandonment was a proof of the reluctance which has invariably been displayed to emphasize or to perpetuate these responsibilities.

The advance of Russia across the deserts that form a natural barrier of division between Northern and Southern Persia could not be regarded with anything but uneasiness by the Government of India, and the appearance of her flag in the Persian Gulf would import a novel element of unrest into a situation that is at no time without its anxious features. We desire deliberately to say to your Lordship, with a full consciousness of our responsibility in so saying, that, difficult as we find it in existing circumstances to meet the financial and military strain imposed upon us by the ever-increasing proximity of Russian power upon the northern and north-western frontiers of India from the Pamirs to Herat, we could not contemplate without dismay the prospect of Russian neighbourhood in Eastern or Southern Persia, the inevitable consequence of which must be a great increase of our own burdens; while the maritime defensibility of India would require to be altogether reconsidered were the dangers of a land invasion to be supplemented by the appearance of a possible antagonist as a naval Power in waters contiguous to Indian shores.

Upon the question of allowing any European Power, and more especially Russia, to overrun Central and Southern Persia, and so to reach the Gulf, or to acquire naval facilities in the latter even without such territorial connections, we do not conceive that any doubt whatever can be entertained; and we imagine that it will be accepted as a cardinal axiom of British policy that no such development would be acquiesced in by Her Majesty's Government. We would arrive with the greater confidence at this conclusion, since we were lately informed by your Lordship that during the present year Lord Salisbury communicated to the Persian Government that "Her Majesty's Government felt it to be their duty to renew the intimation that it would not be compatible with the interests of the British Empire that any European Power should exercise control or jurisdiction over the ports of the Persian Gulf."

Such being the existing situation in Southern Persia, and the principles of policy accepted by Her Majesty's Government being as already stated, we pass to a consideration of the manner in which these principles should be translated into action, and of the steps which should, in our opinion, be taken at the present juncture for the protection of the common interests of Great Britain and the Indian Empire.

We are aware that, more than half-a-century ago, there were exchanged, and have more than once since been repeated, certain explicit assurances concerning the integrity and independence of Persia between the Governments of Great Britain and Russia. The first of these assurances were entered into by Lord Palmerston and Count Nesselrode. The former, in a despatch dated the 5th September, 1834, placed on record that "the Governments of Great Britain and Russia are acting with regard to the affairs of Persia in the same spirit, and are equally animated by a sincere desire to maintain not only the internal tranquillity, but also the independence and integrity of Persia." Count Nesselrode, in despatches dated the 20th October, 1838, and the 29th January, 1839, reiterated these pledges on behalf of his Government. Again in 1873 the continued existence of these mutual assurances was referred to with satisfaction by Count de Brunnow, as reported in a despatch by Lord Granville; dated the 10th July, 1873. Finally, on the 12th March, 1888, M. de Giers intimated, through M. de Staal, to Lord Salisbury that the Russian Government "have no objection to placing again on record that their views on this point are in no way altered;" and a communication to the effect that the engagements between Great

Britain and Russia to respect and promote the integrity and independence of the Persian Kingdom had again been renewed and confirmed, was accordingly made by Sir H. D. Wolff to the Shah.

Whilst it may be presumed that these pledges, so frequently renewed, are still in existence, we are yet of opinion that they are in themselves quite insufficient to arrest the centripetal progress of Russian influence in Persia, or to save either the Persian Kingdom or British interests in it from the erosive agencies that we have described. Within the limits of a nominally still existing integrity and independence so many encroachments upon both those attributes are possible that, by almost imperceptible degrees, they pass into the realm of constitutional fiction, where they may continue to provide an exercise for the speculations of the jurist long after they have been contemptuously ignored by statesmen.

If this proposition be accepted, it behoves us to examine the various alternative policies that have been or can be proposed. The first of these is the policy of a regeneration of Persia by Anglo-Russian means, *i.e.*, joint action by Great Britain and Russia to insist upon reforms, to reorganize the administration and finances, to develop the resources of the country, to lend the requisite means—in fact, to convert the Persian Government, by combined philanthropy, from a moribund into a solvent institution. This policy has already been discussed and rejected, for reasons which need not be repeated here.

The alternative policy is that we should plainly intimate that any Russian encroachments in Northern Persia will provoke corresponding measures for the protection of British interests in the south.

Nevertheless, before we recommend that such a policy should be essayed, we desire to raise the question whether, though it be impossible to conclude an Agreement with Russia for the joint patronage and development of Persia, it might not yet be possible to come to an understanding with her for the separate patronage and development of that country in distinct and clearly defined compartments by the two great Powers—in other words, for a recognition of British and Russian spheres of interest in the dominions of the Shah. Recent events in China have familiarized the public mind with the idea of such spheres of interest, although their existence would appear to be still somewhat lacking both in clearness of definition and in precision of outline. The Viceroy has observed in recent telegrams with reference to a Persian loan and to Mining Concessions in that country, indications of a willingness to concede to Russia liberties in the north of Persia, parallel in scope and substance with those conceded to Great Britain in the south; and it is worthy of consideration whether in an expansion of this suggestion might not be found a feasible scheme.

We have already alluded to the line across Persia drawn by Sir M. Durand from Khanikin on the Turkish frontier, through Kermanshab, Hamadan, Ispahan, Yezd, and Kerman to Seistan, as indicating the northern limits of the sphere within which British political influence and trade are paramount. To some extent this partition is assisted by geographical conditions, the great deserts of Central Persia constituting a natural barrier between the north and the south, and roughly dividing the one from the other. But this situation is modified both in the west of Persia, where there are no deserts, and where there is no physical line of demarcation between the respective spheres of influence; in the centre of Persia, where Ispahan can hardly be said to constitute the natural frontier of any geographical zone; and also in the extreme east, where Seistan, the inclusion of which in the British sphere would be an obligatory point, lies not to the south but to the north of the great desert. These considerations might not affect the success of any engagement that was carried out with equal *bona fides* by both parties; but they might become a fruitful source of friction were such a good understanding not to be counted upon in the future. In any case, we would recommend that the line of partition suggested by Sir M. Durand should be so far amended as to substitute Kashan for Ispahan. It would be undesirable that any Russian railway should penetrate farther south than Kashan, which indeed is separated by a considerable range of hills from Ispahan, or that Russia should have right of access to the very fringe of the latter district.

We have observed that in China the Agreement recently concluded between Her Majesty's Government and Russia as to spheres of interest has related to railways only. Either party has pledged itself not to seek on its own account or on behalf of others for Railway Concessions in the rival sphere, and not to obstruct, directly or indirectly, applications for such Concessions, supported by the other in that sphere. *Prima facie* there does not appear to be any reason why such an Agreement should not equally be extended to mines, roads, and other industrial or economic undertakings.

The value of such an understanding is considerable; because although political influence is not expressly mentioned, yet in Eastern countries commercial and industrial enterprises are the familiar agencies through which political influence is exercised by alien Powers, and because that influence is apt to follow in the wake of railways and trade. We do not think, if such an Agreement were arrived at with Russia, with reference to the Persian territories lying north and south of the predicated line, that there would be an end to Russian designs in Southern Persia or in the Persian Gulf. Such a result might, perhaps, ensue from an engagement that no political influence should be exercised by either party on the opposite side of the line. But there would be manifest difficulties in arriving at any such understanding; since it would be out of the question to remove the British Representatives, either at Tehran, at Tabreez, or at Meshed, whose functions necessarily involve the exercise of some sort of political influence, while a corresponding objection would no doubt be felt by the Russian Government. But even an engagement limited to railway and commercial exploitation would have this effect, that it would deprive Russia of the means by which political or territorial ambitions in the rival sphere could most easily be carried out, and would render it difficult for her to push them to success, as long as Great Britain remained on the alert.

There are, however, difficulties and drawbacks in the case of such an understanding which it would be impolitic to ignore. The facts with reference to Seistan indicate the absolute necessity of including that district within the British sphere. Nevertheless, Seistan is physically and administratively a part of the Province of Khorassan, from which it is severed by no clear line of division, the Governorship of Seistan being vested in a member of the old ruling family of Kain, the two existing heads of which are brothers, residing respectively at Tabbas and Birjand. Nor, again, is it clear that Russia would be willing to cancel the engagement with regard to railway construction which she has recently renewed with the Persian Government, and to hand over the southern half of Persia to possible railway exploitation by British agency, in return for a monopoly of similar exploitation (which may be said to be already at her disposal) in the northern half. These, however, are considerations which could only be decided by the attitude of Russia herself, were she approached on the subject by Her Majesty's Government. We indicate them merely for the purpose of showing that we are far from confident that the suggestion, if put forward, will meet with a favourable reception.

A more serious drawback, from the point of view of British interests, is the fact that the capital of Persia would lie in the northern or Russian sphere, and that Russian influence there, already predominant, could hardly fail to become supreme. The situation that has recently arisen in China would present itself with tenfold gravity and emphasis. A desire would not merely be intimated to connect the capital with the Russian railway system; but a line itself would, we may imagine, at once be made to Tehran, while corresponding lines would in all probability be constructed from the Russian frontier in Georgia to Tabreez, and in Transcaspia to Meshed. With the three great cities of Northern Persia thus permanently linked with the Russian system, the power of pressure exercised by the Russian Government, which is already considerable, would be positively overwhelming. The results would, in all probability, be felt beyond the limits of Persia. They would aggravate the already formidable offensive strength of Russia against Northern Afghanistan, and would increase the weight and influence of her position throughout Central Asia. In Persia itself, the Shah would tend more and more to become a Russian puppet, and Northern Persia a Russian Pro-Consulate. We should look with great anxiety, in such a case, upon the fate of such institutions as the Imperial Bank of Persia and the Indo-European Telegraph Department, whose head-quarters are in Tehran. We should fear a marked diminution of influence on the part of Her Majesty's Representative at the capital; and we do not conceal our anticipations that in the long run such a partition might involve the permanent break up of the Persian Kingdom, and, if it did not ultimately lead to rival Russian and British Protectorates in the north and south, might at any rate result in the selection of another capital, and in the rule of more than one native Prince in Persia.

Neither will it be overlooked by Her Majesty's Government that, while any such arrangement with Russia might preclude that Power from obtaining control over Central and Southern Persia and in that way reaching the Persian Gulf, it would not for one moment retard, but might on the contrary accelerate, her advance to the same objective through Mesopotamia by way of Bagdad. This is an issue which we should regard with scarcely inferior repugnance; but the problem is one which we do not

feel called upon to discuss upon the present occasion, and which would require to be examined on independent grounds. We should strongly deprecate the political rivalry of any European nation in the neighbourhood of the Persian Gulf, even though such a situation, while fraught with constant annoyance, might not, as in the case of Russia, constitute a positive menace to the Indian Empire.

We have now placed before your Lordship the pros and cons, as they present themselves to our eyes, of the alternative policies in Persia. While not sanguine as to the prospects of success, we are ourselves of opinion that the experiment of an understanding with Russia as to future spheres of interest in that country is worthy of being made, in the interests both of Persia itself, and still more of harmony between the two great Powers, upon whose relations the peace of Asia may be said to depend. Should Her Majesty's Government decide upon making any overtures to the Russian Government in the direction indicated, and should they either be rejected or result in failure, it will still be possible to adopt the alternative policy. Indeed, if the terms of a reasonable arrangement are proffered by one party, and are refused by the other, the natural corollary would appear to be that the originator of the proposal should reserve to himself the right to protect by whatever means may be at his disposal the interests which he has endeavoured to conserve by friendly co-operation; and should meet what would in such a case be conscious aggression on the one side by retaliation on the other.

In any case, however, though still more in the case of a failure to arrive at an understanding with Russia, we conceive that it is incumbent upon Her Majesty's Government and upon the Government of India to come to an early decision upon the subsidiary question, namely, as to the steps that require forthwith to be taken in order to safeguard British and Indian interests in the so-called British sphere in Persia from the competition with which we have shown them to be threatened.

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We have, &c.

(Signed)

CURZON OF KEDLESTON.

E. H. H. COLLEN.

C. M. RIVAZ.

C. E. DAWKINS.

T. RALEIGH.

R. GARDINER.

PERSLA. No. 1 (1908).

EXTRACT from a Despatch from the Government of India to the Secretary of State for India in Council, dated September 21, 1899, relating to British Policy in Persia, which was referred to in the Debate on the Anglo-Russian Convention, which took place in the House of Lords on February 6 and 10, 1908.

*Presented to both Houses of Parliament by Command
of His Majesty. February 1908.*
